

# **Bond Case Briefs**

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## **TAX - RHODE ISLAND**

### **City of Pawtucket v. Rhode Island Department of Revenue**

**Supreme Court of Rhode Island - May 2, 2024 - A.3d - 2024 WL 1917355**

City appealed decision of Department of Revenue (DOR) denying PILOT funds for properties owned by hospital.

The Superior Court granted judgment for DOR. City filed petition for writ of certiorari.

The Supreme Court held that:

- City's appeal was timely, but
- Hospital did not meet PILOT Act's explicit definition of "nonprofit hospital facility."

City received final, formal notice of decision of Department of Revenue (DOR) to deny city's request for PILOT funds for properties owned by hospital, and appeal period began to run, when Director of DOR formally notified city in letter that properties did not qualify for inclusion in grant program, rather than when there were various communications and actions indicating that eligibility of properties for PILOT funds was in question.

Hospital did not meet PILOT Act's explicit definition of "nonprofit hospital facility," and thus properties owned by hospital were not eligible for receipt of PILOT Act funding, even though medical care and treatment services were being provided at properties through licenses held by other hospitals, where hospital-owner was not a licensed nonprofit hospital facility at relevant time.